

An organization qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 where it is formed to survey scientific and medical literature published throughout the world and to prepare and distribute free of charge abstracts taken from such literature.

Advice has been requested whether a nonprofit corporation organized and operated as described herein qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

The organization was organized for exclusively educational, scientific, and charitable purposes. Its specific purpose is to inform the interested public of current developments appearing in scientific and medical literature. The organization employs technical personnel who survey the world's medical and scientific publications as soon as they are published. They select and abstract articles appearing in this literature. The abstracts are compiled in monthly publications and are distributed free of charge to anyone having particular interest in the subject matter.

The organization's staff is highly trained in particular fields of medicine, chemistry, and biology. In addition, most of the staff has special training in foreign languages, in which a great many of the articles are written. The organization obtains its operating funds from contributions and governmental grants.

Section 501(c)(3) of the Code provides for the exemption from Federal income tax of organizations organized and operated exclusively for charitable, scientific, and educational purposes.

Section 1.501(c)(3)-1(d)(2) of the Income Tax Regulations defines the term 'charitable' as used in section 501(c)(3) of the Code as including the advancement of education or science.

The activities of the organization, consisting of reviewing medical and scientific publications, and preparing and disseminating free abstracts of meaningful and accurate reference materials based on articles appearing in such publications, are programs which advance education and science.

Therefore, the organization qualifies for exemption from Federal income tax under section 501(c)(3) of the Code.

An organization which considers itself within the scope of this Revenue Ruling must, in order to establish exemption under section 501(c)(3) of the Code, file an application on Form 1023, Exemption Application, with the District Director of Internal Revenue for the internal revenue district in which is located the principal place of business or principal office of the organization. See section 1.501(a)-1 of the regulations.